

**Boston
Redevelopment
Authority**

ACCOMPLISHMENTS AND PROSPECTIVE
1983/1984

GOVDOC

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51



DIRECTOR



CHAIRMAN



VICE CHAIRMAN



TREASURER



MEMBER



JR. MEMBER



SECRETARY

I am pleased to report on the status of the Boston Redevelopment Authority. As described on the following pages, the Authority has had a busy and successful year and I expect this momentum to continue.

For the five years that I have been the Director of the Authority it has been my goal to establish guidelines and a system to guarantee that the City obtains the maximum benefit from development in the City. The benefits include jobs for residents, both construction and permanent, new tax revenues, good physical design and public amenities. The Authority, I feel, has made significant progress towards achieving these goals. At the same time, Boston's vigorous economic growth—as evidenced in its development boom—has not resulted in overbuilding. In fact, Boston has continually experienced low vacancy rates for both new and older office buildings, proof of our careful management of the city's development process.

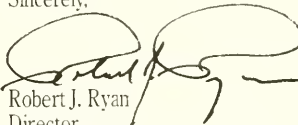
While doing this, the Authority has continued to focus on the traditional community development activities. Boston has received UDAG's for projects like the Bayside Exposition Center at Columbia Point, the Teradyne Building in the South End, and the Charlestown Navy Yard. Even with Proposition 2½ and the reduction in traditional federal funds the Authority has been able to continue many important projects.

In addition, we have made sure that the Authority itself is in sound financial condition. In 1982 a state-of-the-art automated financial management system was implemented to provide accurate information on a timely basis. For the year ended June 30, 1983, Coopers and Lybrand performed the first comprehensive audit of the Authority's financial statements. The statements which have been prepared in accordance with generally accepted accounting principles (GAAP) are incorporated at the end of the report and demonstrate that the Authority is in sound financial condition and able to carry out its statutory responsibilities.

This progress cannot stop here, however. The Authority must continue the projects currently underway and continue with planning efforts that assure Boston's growth in the future. The cost of city services will continue to grow and only through growth can Boston maintain a decent level of services without increasing the tax rate.

In April of this year, a keel-laying ceremony was held at the Charlestown Navy Yard for the new sail training vessel "Spirit of Massachusetts." As we watch the form of this ship emerge, we will also watch the Navy Yard, East Boston and other sections of the City's waterfront emerge along with it and we should always be reminded of the hard work that each and every person puts into making a great ship or great city.

Sincerely,



Robert J. Ryan
Director
Boston Redevelopment Authority

For the Authority, 1983 was an active year in the development area. The Authority was involved in various stages of over 20 projects in the neighborhoods and downtown. The evidence from a recent privately sponsored survey, suggests that the disciplined approach to development approval existent at the Authority is rewarding the City with quality developments at a reasonable pace to be absorbed by the market.

In the Financial District and Back Bay, the Authority was involved in the review and approval of four major office buildings, 399 Boylston Street, One Exeter Place, 265 Franklin Street, and 260 Franklin Street, which will add 990,000 square feet of new office space to the downtown Boston office market. The staff continued its analysis and refinement of the office/retail complex at Parcel D-10, the parcel below Faneuil Hall whose developer was designated in January, 1982. Construction on the parcel began in October, 1983.

On the Waterfront, a competition was completed for a mixed use project at Rows/Fosters Wharf. The BRA Board designated a developer for the site in late May, and the staff will work with the developer and community groups up to final designation and throughout construction of the project. When completed, the project will create 940 new permanent jobs, and generate yearly property tax revenues of \$2 million and part of its annual base payment to the BRA will be directed towards development of low and moderate income housing in renewal areas.

In the Theatre District and Park Plaza area, the BRA staff conducted a developer competition for an office/retail project on Parcel P-7, a vacant lot on Tremont Street next to the Wilbur Theatre. The development team chosen for this parcel will build a structure that not only upgrades a key site in the area, but brings new economic vitality to this part of downtown. Likewise, the developer competition for the Arlington-Hadassah parcel in the Park Plaza project will result in a project that improves dramatically the southern edge of the Boston Common and introduces additional residential units to the Back Bay.

At Columbia Point, the Authority designated a developer for Phase II of the peninsula redevelopment program, the creation of 1200 to 1600 new and reconstructed,

mixed-income housing units. The designation, made jointly with the Boston Housing Authority, is the result of an intensive review of competing proposals conducted by the Authority, the BHA and the Columbia Point Tenants' Task Force. An agreement among all three parties guarantees that the new development will contain a minimum of 400 units of low income housing. With the designation of a developer, the Authority will commence preparation of a master engineering plan for the area. Also, the Authority completed financial negotiations and design review of Phase I, the development of the Bayside Exposition Center.

Boston's Real Property Board and Public Facilities Commission delegated to the BRA the responsibility of attracting and reviewing proposals to redevelop four City-owned parking garages at Kilby Street, St. James Street, Government Center and Fort Hill Square. Originally projected to generate \$30-50 million in sales revenue, the designations of Government Center and Fort Hill Square generated over \$40 million. These projects will create 16,000 new jobs and over \$25 million in new tax revenue.

The BRA continues to administer the Commercial Area Revitalization District (CARD) program. In 1983, the BRA approved five new CARD projects: the renovation of the Boston University Bookstore, the renovation of the Museum of Fine Arts, the renovation of two North Station area office buildings, and Phase II of the Fenway Park renovation. If approved by Massachusetts Industrial Finance Authority (MIFA), the five projects will generate some \$249,000 a year in additional property taxes and create 209 permanent new jobs.

In other neighborhood activities, staff acted as consultants to the Public Facilities Department in preparing guidelines and reviewing development proposals for the reuse of 26 surplus schools in Boston.

As a result of projects previously approved by the Authority, buildings will open during 1984 that will generate \$89.5 million in annual tax revenue, adding \$21.9 million above the previous uses of these properties. The chart on the following pages summarizes all of the projects with which the Authority will have some involvement during 1984.

1984 DEVELOPMENT PROJECT INFORMATION
SUMMARY

TYPE	NUMBER OF PROJECTS	DEVELOPMENT COSTS (IN MILLIONS)	ANNUAL TAX REVENUE (IN MILLIONS)	JOBS CREATED PERMANENT	CONSTRUCTION
OFFICE	24	\$1,468.7	\$43.7	38,433	27,727
HOTELS	5	250.0	9.3	1,602	5,624
RETAIL	10	118.0	4.6	2,635	2,653
HOUSING	31	429.7	7.5	—	8,918
INSTITUTIONAL	15	291.0	1.5	1,300	6,650
OTHER	10	794.0	22.9	8,390	17,240
TOTAL	95	\$3,351.4	\$89.5	52,360	68,812



Non-profit institutions in Boston are exempt from property taxes, but many of these institutions, mindful of the costs for the city services they receive, agree to make voluntary in lieu tax payments to the City.

In order to carry out new development these institutions require zoning variances or other approvals from the BRA. In the process of reviewing development proposals, the BRA, in conjunction with the Mayor's Office, negotiates the in lieu tax payment agreements. In addition, some of these institutions augment their in lieu tax payments by providing community services or other in kind contributions to the City.

In this way, the BRA helps the City accrue significant revenues and other benefits from the large number of non-profit institutions within the City.

CORPORATION

BAY COVE HUMAN SERVICES, INC.

BERKLEE COLLEGE OF MUSIC

BOSTON INDIAN COUNCIL, INC.

DOMICILIA, INC.

FAULKNER HOSPITAL

FIRST, INC.

HARVARD COMMUNITY HEALTH PLAN, INC.

MASS. BLUE CROSS, INC./MASS. BLUE SHIELD, INC.

MASSACHUSETTS GENERAL HOSPITAL – CAMBRIDGE ST. PARKING

MASSACHUSETTS GENERAL HOSPITAL – PLANNED DEVELOPMENT AREA

MASSACHUSETTS PORT AUTHORITY

MENTAL HEALTH PROGRAMS, INC.

METROPOLITAN CENTER, INC.

NEW ENGLAND DEACONESS HOSPITAL

NEW ENGLAND MEDICAL CENTER HOSPITAL

NEW ENGLAND SCHOOL OF LAW

NORTHEASTERN UNIVERSITY

PRESIDENT AND FELLOWS OF HARVARD COLLEGE

SUFFOLK UNIVERSITY

THE LIFE CENTER, INC.

THE TRIMOUNT FOUNDATION, INC.

TRUSTEES OF BOSTON UNIVERSITY – MEDICAL SCHOOL

TRUSTEES OF BOSTON UNIVERSITY – 55 PARCELS

BRIGHAM & WOMEN'S HOSPITAL RESEARCH BLDG.

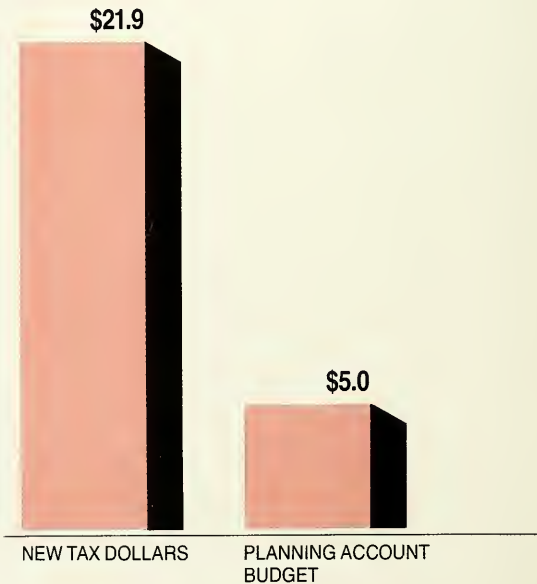
UNIVERSITY HOSPITAL

TUFTS UNIVERSITY – LIBRARY

TOTAL ANNUAL IN LIEU PAYMENTS

\$6,392,978

RETURN IN TAX \$



The BRA returns \$4 in annual taxes for each \$ invested

The Authority, in its role as the city's planning agency, has also initiated planning studies designed to monitor and manage the city's growth. These studies range from preparation of development policies for the city to continuing analysis of the city's economy and its demographic patterns.

The BRA staff also provides planning services to various city boards and commissions and assists in the negotiation of in lieu tax agreements. BRA staff work with a wide range of city and state agencies on regional transportation and environmental reviews and the BRA has responsibility for planning studies which involve urban design and zoning proposals.

But the general framework for these planning efforts is the BRA's concern for the kind of city Boston will be in the future. To this end, the BRA, at the end of 1983, issued "Boston Tomorrow"—a study which examines the effects of recent development in the city, forecasts future growth and establishes policies for guiding development in the next decade.

Boston, in the midst of a development boom, is also conducting planning studies which look at the quality of its urban environment and the effect on the city of future growth. And while initiating planning studies that will foster new development, Boston is also trying to anticipate its future needs and its future possibilities.

Ongoing Planning and Development Activities

The following summary outlines the BRA's major planning activities that will be continued by the BRA during 1984.

Central Business Development Policies

The magnitude of new development which has taken place in Boston over the past decade, as well as that which is anticipated during the coming years, has necessitated a review of the City's development policies. The publication of *Boston Tomorrow*, a report on development trends and issues, in November 1983, will be followed by a public discussion of policies for guiding future growth in Central Boston.

Development Capacity Study

In conjunction with *Boston Tomorrow*, a separate study will identify potential development sites in Central Boston, assess their feasibility for commercial, residential and industrial uses, and the city infrastructure's capacity to handle the developments. The intention is to determine to what extent the infrastructure encourages or discourages development.

Downtown Crossing: An Economic Strategy Plan was completed by the BRA and its consultants in the Summer of 1983. The report presents a comprehensive market analysis of Downtown Crossing which serves as a basis for a development strategy for the Boston's retail core.

Third Harbor Tunnel/Central Artery

The Commonwealth of Massachusetts, in September of 1983, submitted to the Federal Highway Administration an Environmental Impact Statement Report on the proposed Third Harbor Crossing and depression/widening of the Central Artery. If approved, this \$2.2 billion joint project will result in the availability for redevelopment of 22 acres of prime vacant land in downtown Boston. A variety of planning activities will be necessary to ensure that the economic and social benefits resulting from the reuse of this land are maximized for the surrounding communities and the City of Boston. The scope of activities will include: land use studies to determine appropriate uses, market and financial feasibility analyses, workshops and meetings for community participation and public involvement, and the creation and implementation of a Development Plan.

Long Wharf-Harbor Islands

During Fiscal '84, the Authority will commence the first stage of reconstruction of Long Wharf which will return portions of this Pier to public use and enjoyment. Additional docking space for Harbor ferries and excursion boats will be provided; and with continued financial assistance from the Commonwealth, Long Wharf will become a major focal point for trips to the Harbor Islands with centralized information facilities, exhibits and ticketing facilities.

East Boston Waterfront

A significant new activity of the Authority has resulted in the establishment of a broad-based community group in East Boston working with the BRA in the preparation of a Master Plan and Development Program for the vacant portions of the East Boston waterfront near Jeffries Point owned by MassPort. An agreement has been reached whereby the BRA has assumed the planning and development responsibilities for the 56-acre property with the goal of creating a mixed-use development consistent with the views of the East Boston community. The internationally known firm of Arthur Erickson Architects has been retained to assist the Authority and the community in this undertaking. Envisioned as a \$150 to \$200 million development project, it will represent a significant asset to the East Boston community and the City in terms of jobs and new property tax revenues from property which is currently tax-exempt.

Charlestown Navy Yard

Similar to the East Boston Waterfront, but in advanced stages of planning and development, is the Charlestown Navy Yard project. The new waterfront park and public boat moorings at Pier 4 opened in 1983 and development of market rate housing and housing for the elderly will proceed during the coming year. The development staff continues to work on ways to attract development activity into the area. With the help of a UDAG to be used for public improvements, the staff is presently working with a designated developer for Building 36 to finalize lease arrangements and get construction underway. During 1984, a marked increase in building rehabilitation for commercial use should be evident.

Historic Areas and Landmark Districts

The Authority's staff continues to work closely with the Boston Landmarks Commission in identifying areas within the City of historic and architectural significance. A current example of this cooperative relationship concerns the "Commercial Palace" district in downtown Boston. Together, the two agencies undertook a study to examine the architecture and historic characteristics of the portion of the downtown retail area.

Chinatown

The Authority initiated a comprehensive update of the master plans of the New England Medical Center and Tufts University. As a result of this initiative, an agreement was reached between the two institutions and Chinatown under which the institutions would contribute a parcel of land and significant funding for below market housing, as well as fund scholarship and job training programs. At the same time the agreement established community support for a new Tufts University Library and three new Medical Center projects.

Fort Point Channel

Working with the South Boston community, Fort Point Channel property owners and the State Executive Office of Transportation and Construction, the Authority has undertaken a new planning and development program concerning a variety of issues in the Fort Point Channel area of the City. In addition to resolving problems associated with new transportation systems proposed (New Northern Avenue and Bridge, State plans for a Third Harbor Crossing, South Boston Seaport Access Road, and reconstruction of the Central Artery), the Authority is reviewing several major new development projects in the area in terms of their effect on the South Boston community and City development policy.

North Station

During this past year, major activities have been completed which have led to the construction of the Federal General Services Administration office building. During 1984, planning and development efforts will be accelerated for Phase II of the North Station project, and will consist of the preparation of the development and financing program for remaining underutilized and vacant portions of the North Station area for new commercial, office, housing and public open space along the lower Charles River.



Copley Place

The Authority completed its design review and approval process for the remaining unresolved design issues in the Copley Place development. This review, conducted with the Copley Place Design Advisory Group, resulted in final plans for one hundred units of housing and a pedestrian connection to the Prudential Center.

Housing

Housing is a continuing concern to the Authority. Through its review of 121A's and large mixed-use developments, the BRA has and will continue to encourage housing construction. During the last four years the Authority has approved 5,828 units of new or rehabilitated housing. In addition, the BRA's planning and policy development will help to increase funding for residential development: e.g., the \$600,000 contribution from the Arlington/Hadassah Way development project to the Boston Housing Partnership came out of the BRA's review of development proposals. The contribution is a noteworthy beginning of new solutions to finance low and moderate income housing in Boston's neighborhoods. In addition, the BRA has participated on the Mayor's Advisory Group on Linkage to formulate mechanisms whereby major developers would contribute to a fund - The Neighborhood Housing Trust - dedicated to expanding the supply of decent and affordable housing in Boston. Contributions from other developments will include \$500,000 from Rows/Fosters Wharves, \$2,000,000 from Parcel 7 in Government Center, and \$8,000,000 from the Fort Hill Garage site.

The Copley Place UDAG repayment will be used as a third means of creating affordable housing. Repayment of the UDAG will finance the Neighborhood Development Fund, and developers will be designated for 60 units of below market housing in the South End as the first phase of the UDAG repayment.

Each of the above mechanisms are examples of how major downtown commercial development can help to achieve the City's goals to improve housing opportunities in Boston's neighborhoods.

Environmental Policy and Planning

The BRA works to maintain the environmental quality of Boston through its review of development proposals and through special studies and joint efforts with other City, regional, State and Federal agencies. The BRA is currently assisting the Metropolitan District Commission in its efforts to formulate a site option study for upgraded wastewater treatment plants to improve the water quality of Boston Inner Harbor. Other activities currently underway or recently completed include review and comment on the Environmental Impact Studies for Third Harbor Tunnel and Central Artery Depression, and preparation of the Environmental Impact Reports for North Station and Columbia Point Roadway Projects. Also, Authority Environmental staff provide historic preservation reviews for CDBG funds and are participating in the development of programs to reduce noise and air pollution at Logan Airport.

Capital Projects and Related Development Activities

The specific planning and development programs of the BRA which have been summarized will result in an array of new capital 1984 projects proposed to be implemented during 1984. The following are examples of capital projects currently underway or proposed to be undertaken.

Charlestown

Completion of the Chelsea-Water streets and funding for landscaping is anticipated. Reconstruction of Main Street repaving and reconstruction of numerous neighborhood streets is programmed for 1984.

Chinatown

Following completion of Chinagate, two community parks are scheduled to be constructed; Hudson-Beach Park and Edinboro Street Park. In connection with the widening of Herald Street, the Authority has initiated engineering for air-rights development over the Turnpike between Chinatown and the South End. The resulting development is expected to produce sites for new housing, as well as manufacturing.

South End

Following the completion of Blackstone Square Park and the reconstruction of Clarendon Street during this current fiscal year, additional capital projects are programmed. These include the restoration of Franklin Square Park, the reconstruction of East Canton Street, and other public improvements. The Authority expects to obtain state approval and funding for the second phase of Columbus Avenue and Tremont Street reconstruction in 1984. It has also initiated the design of a new Herald Street in conjunction with Southeast Expressway plans. This new street would release traffic impacts on local South End streets.

Downtown

Numerous capital projects in the downtown area in support of major development projects are scheduled including the construction of New Essex Street, Avenue d'Lafayette, construction of new streets in the North Station area, completion of street, sidewalk and landscaping improvements at Copley Place, and public improvements in the Theatre District.

South Station

Construction will begin on foundations for air-rights development over the tracks at South Station. The project will include a parking level, a consolidated bus terminal, a 600 room hotel, 400,000 square feet of office space, and 250,000 square feet of manufacturing space.

In addition to the projects described above, the Authority will be continuing its capital program in other urban renewal areas. In total, the capital budget for 1984 is \$32 million. The table on the following page summarizes these expenditures by project area.

1984 CAPITAL BUDGET

CAMPUS HIGH	200,000
CHARLESTOWN	9,850,000
CHARLESTOWN NAVY YARD	800,000
CHINATOWN	381,000
COLUMBIA POINT	850,000
DEWEY SQUARE	3,000,000
DOWNTOWN CROSSING	200,000
FENWAY	500,000
GOVERNMENT CENTER	40,000
KITTRIDGE SQUARE	80,000
LAFAYETTE PLACE	2,000,000
NORTH STATION	2,000,000
PARK PLAZA	4,000,000
SOUTH COVE	212,400
SOUTH END	6,000,000
THEATRE DISTRICT	772,500
WASHINGTON PARK	90,000
WATERFRONT	2,000,000
TOTAL	\$32,975,900



**NEIGHBORHOOD
DEVELOPMENT NAME**

DWELLING UNITS

BACK BAY/BEACON HILL

EXETER TOWERS	96
ANDERSON PARK APT. CONVERSION	89
REHAB. BEACON CHAMBERS	143

NORTH END

CASA MARIA	75
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SOUTH DORCHESTER

KEYSTONE APARTMENTS	223
AD/TEMPS ASSOCIATES	73
DORCHESTER HOUSING ASSOC.	91

JAMAICA PLAIN

WOODBOURNE HOUSING	75
BACK OF THE HILL	125
ANGELA WESTOVER HOUSE	10
ROXBURY TENANTS OF HARVARD	61
DIMROCK-BRAGDON	54

ROSLINDALE

WELD SCHOOL APT. CONVERSION	14
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NORTH DORCHESTER

EDISON GREEN	108
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ROXBURY

MADISON PARK	120
MARCUS GARVEY APARTMENTS	161
TAURUS AT FOUNTAIN HILL	73
RHC & ASSOCIATES	81
BAKER MANOR	41
MADISON PARK IV	143
MT. PLEASANT APTS.	140
COUNCIL OF THE ELDERS	150

HYDE PARK

BLAKE ESTATE PHASE I	175
BLAKE ESTATE PHASE II	88

WATERFRONT

COMMERCIAL BLOCK	34
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DOWNTOWN

STEARNS BLDG.	140
MASON PLACE ELDERLY	129
2 DEVONSHIRE PLACE	478

CHARLESTOWN

HARVARD SCHOOL CONVERSION	30
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FENWAY-KENMORE

PETERBOROUGH ST. HOUSING	220
ST. BOTOLPH TERRACE	52
PARCEL 13	44
WESTLAND AVENUE ASSOCIATES	97
WAIT STREET ASSOCIATES	100
THE GREENHOUSE	322

MATTAPAN

SCHOOL HOUSE 77 CONVERSION	118
FIELDSTONE ASSOCIATES	97
FIELDSTONE ASSOCIATES	97

SOUTH END

LA VICTORIA	190
EAST CANTON ST.	80
ROBERT L. FORTES	41

ALLSTON-BRIGHTON

BOSTON REHAB. ASSOCIATES	129
GOVERNOR APARTMENT ASSOC.	87
BRIGHTON ALLSTON ELDERLY	80
B'NAI B'RITH SENIOR ELDERLY	150
ATRIUM ON COMMONWEALTH AVE.	186

CHINATOWN

BRADFORD TOWERS ASSOC.	229
ON LUCK HOUSING	28
DON BOSCO ELECTRICAL SCHOOL	280
CHINAGATE HOUSING ASSOC.	15

TOTAL	5,828
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The Authority has had a successful year in attracting federal funds to support improvements for the redevelopment areas and ongoing planning activities. A total of \$7,420,000 of funds were approved during the year and are described below. For 1984 the Authority has applied for \$27,193,000 already and as other funding opportunities become evident the staff will develop proposals for appropriate funding opportunities.

Federal Funds Approved – 1983

CDBG Year VIII – Ongoing activities in the BRA Urban Renewal Areas related to public improvements, and specific site development activities.

\$2,750,000

EDA 302 – Continuing assistance from the Economic Development Administration, matched by local funds, to be used in the support of economic planning and development projects of the Authority.

\$72,000

Essex Street Station UMTA Grant – TSM (Transportation Systems Management) Grant from FHWA for short-term transportation improvements in the Dewey Square Area including traffic redirection, bus lanes, and noncapital intensive improvements.

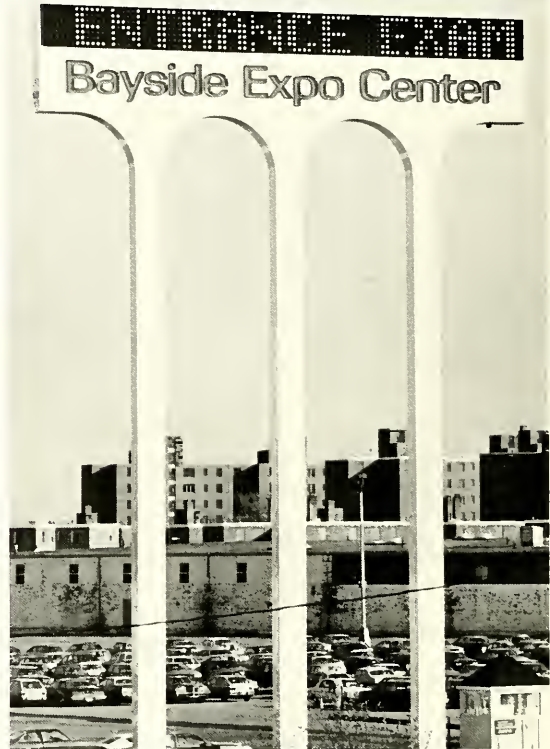
\$548,000

Columbia Point UDAG – Permanent financing for the completion of the Bay Side Exposition Center (\$1,400,000) Loan, (\$2,100,000) grant for street and sidewalk improvements associated with the exposition center.

\$3,500,000

National Park Service Franklin Square – Grant to be used for the reconstruction and rehabilitation of Franklin Square in the South End for community public park use.

\$100,000



National Park Service Shipyard Park – Grant to carry out last phase of the Charlestown Shipyard Waterfront Park, providing community access to the harbor, public moorings, commuter boat landing and related park improvements.

\$350,000

National Endowment For The Arts – Grant will fund a competition for a new design for the Copley Square Park.

\$100,000



Federal Funds Requested – 1984

South Station EDA – To provide for additional structural foundations to support the proposed Air Rights Development over South Station for the high tech component of this multi-use project.
\$2,000,000

CDBG IX – To continue activities in BRA Urban Renewal Areas related to public improvements and specific site development activities.
\$2,500,000

EDA 302(a) – Funds provided by the Economic Development Administration to support overall economic development planning in the City of Boston.
\$80,000

Charlestown Navy Yard UDAG – Funding for public improvements in conjunction with the redevelopment of Building 36 as office and retail space.

Boylston Building UDAG/Boylston Building EDA – To preserve previously committed funds by HUD and EDA for the Boylston Building, the project must be reformulated around a new developer.
\$1,113,000

EDA Lower Washington Street – Funding will be sought for continuation of the Downtown Crossing public improvement program in the lower Washington Street area.
\$1,000,000

Columbia Point UDAG – HUD has reserved funds to subsidize the Columbia Point housing development. Based on the designation of a developer for site, and application to obtain these funds will be filed.
\$20,500,000

Tent City UDAG – It is anticipated that an application will be filed to fund below market units in the three hundred unit Tent City project.



The administrative budget for the Authority will be \$8.1 million for 1984. Of this, the Authority has a planning appropriation from the City of \$5.0 million. The remainder of the funds will be provided by various federal and state sources. The administrative budget is 20% of the consolidated budget of \$41.1 million. This budget will require the efficient utilization of resources if the Authority is going to achieve this ambitious program for 1984.

Departmental Organization

The role of the BRA is that of managing the process of development in the city. With its mandate as the city's planning agency, the BRA functions as economic coordinator and expeditor for development projects. Moreover, the agency has direct responsibility for analyzing and monitoring development, assuring that development activity produces the jobs, economic benefits and tax revenues that strengthen the local economy. The departments of the Authority are organized to efficiently implement this role.

The following is a summary of the departments of the Boston Redevelopment Authority:

Director's Office: Includes the departments of Personnel, Public Information and Contract Compliance and the Office of the Director of the Authority.

Community Development: Administers the Authority's Urban Renewal Projects and development areas. These include the thirteen original project areas, as well as newer projects, including Copley Place, North Station, the Navy Yard and Columbia Point. Each project is administered by a Project Director who is responsible for the execution of all elements of the project plan, and for the involvement of community and neighborhood participants.

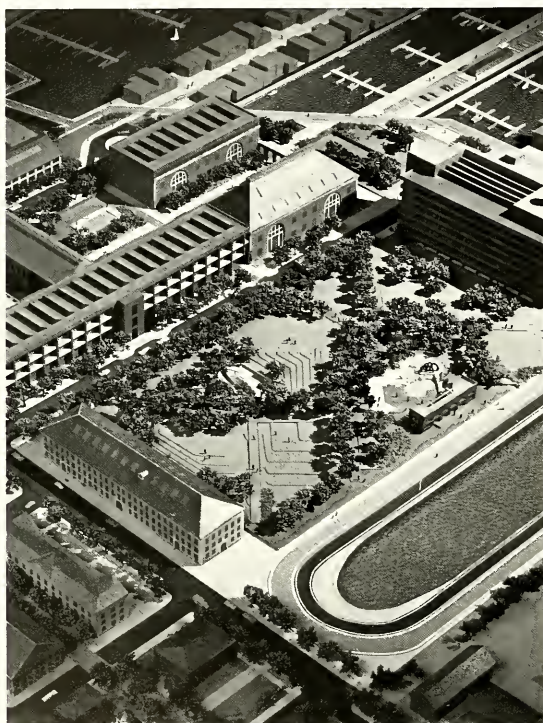
Development Policy and Planning: Responsible for the preparation and implementation of development policy and regulations. Includes departments of development policy, design, transportation, research, and environmental analysis. This department provides technical services to other departments in the review of development proposals and prepares plans for future development.



Development: Reviews public and private development proposals and the disposition of publicly held property. Analyzes both the development costs, revenues, and financing structure of proposals, evaluates the needs for public subsidies, and the financial feasibility of development projects. Administers the Commercial Area Revitalization District program and prepares the financial submission portion of Urban Development Action Grants proposals.

Executive Director: Manages the business relocation, engineering, and real estate functions of the BRA. Administers land clearance, demolition and construction contracts in renewal projects. Acts as liaison between the BRA and other agencies and utility companies responsible for inspections and appraisals.

Urban Design: Guides development of the physical environment of the City. BRA architects formulate guidelines for specific developments and/or areas and carry out design review of development proposals. Applications for 121A developments, Planned Development Areas and all petitions to the Board of Appeal are also reviewed by the Urban Design staff.



Transportation: Assesses the traffic impact of development proposals, prepares plans and policies related to circulation and parking in Central Boston, and works with agencies at all levels of government on transportation projects citywide.

Research: Collects information on and analyzes population, economic and fiscal characteristics of the City. Also, carries out background research studies useful for planning and development. Information developed is used by the City Council, City Departments and outside interest groups, as well as by the Authority.

Special Projects and Planning: Provides a wide range of planning studies, and in many instances formulates the plans which later become development programs for certain sections of the City. The Zoning staff reviews and makes recommendations on petitions for conditional use permits, variances and exceptions that come before the Board of Appeal and on amendments to the City's Zoning Code.

Finance & Administration: Includes the functions of accounting, xerox services, graphics, support services, budgeting, and data processing. During 1982 and 1983, the Authority brought on-line a fully automated financial/management accounting system which has assisted in the management and utilization of funds available to the Authority, and has prepared financial statements in accordance with generally accepted accounting principles (GAAP) standards.

Legal: Provides legal services related to BRA activities, such as property disposition, federal grants, leases, development negotiations, and internal personnel matters.

Engineering: Land clearance, street improvement, demolition and construction contracts, and all other public improvement work in renewal projects are supervised by the Engineering Department. BRA engineers also act as liaison between BRA and other City departments, state agencies, and public utility companies in matters relating to street alignment, utility relocation or street lighting.

Real Estate: The Real Estate department handles all aspects of land acquisition. It inspects properties scheduled for acquisition, obtains appraisals to determine fair market value for properties and negotiates with owners to settle on a sales price.

Property Management: Responsible for maintenance and management of buildings and land the BRA has acquired. In addition, the Property Management department frequently inspects all BRA-owned properties to eliminate conditions which might be hazardous or detrimental to the surrounding area.

1984 ADMINISTRATIVE BUDGET

PERSONNEL COSTS		\$5,164,000
FRINGE BENEFITS	\$1,846,000	
PROFESSIONAL SERVICES	500,000	
NON-PERSONNEL ADMINISTRATIVE COSTS	600,000	
TOTAL NON-PERSONNEL		\$2,946,000
TOTAL		\$8,110,000

The Boston Redevelopment Authority (BRA) is responsible for urban renewal and planning activities in the City of Boston. The BRA was established in August 1957 at the request of the Mayor and City Council and carries out urban renewal programs in accordance with Chapter 121B of the Massachusetts General Laws. It received its certificate of organization from the Secretary of the Commonwealth on October 4, 1957. (From 1949 to 1957, urban renewal activities were carried on by the Boston Housing Authority.)

The planning function was assumed in 1960 when the City Planning Board was abolished and its staff transferred to the BRA, under Chapter 652, Acts of 1960 (M.G.L. Ch. 121A). The functions, duties and responsibilities for general city planning and development were thus combined in one agency.

Under the provisions of the National Housing Act of 1949, as amended, the Federal Department of Housing and Urban Development (HUD) is authorized to enter into contracts with local redevelopment authorities which are duly empowered by state law, such as the BRA, to finance slum clearance, urban renewal, open space, urban beautification and other programs designed to prevent the spread of urban blight through rehabilitation and conservation measures, and to improve the quality of the urban environment.



COMBINED FINANCIAL STATEMENTS
FOR YEAR ENDED JUNE 30, 1983

To the Board of Directors of
the Boston Redevelopment Authority:

We have examined the Combined Balance Sheet and the Combining Balance Sheet for Project Funds of the Boston Redevelopment Authority as of June 30, 1983, and the related Combined and Combining Statements of Revenues, Expenditures, Transfers and Changes in Fund Balances, and Changes in Agency Funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The Boston Redevelopment Authority has not maintained records of the costs of its general fixed assets and, therefore, a Statement of General Fixed Assets is not presented in the accompanying combined financial statements as required by generally accepted accounting principles.

Budgetary control over grants received is maintained on the basis of the fiscal period of the individual grants, which are not necessarily comparable with the Boston Redevelopment Authority's fiscal year. Accordingly, Budgetary Basis Statements of Revenues and Expenditures - Budget and Actual for the General Fund and Project Funds are not presented as required by generally accepted accounting principles.

In our opinion, except as described in the second and third paragraphs, the financial statements referred to above present fairly the financial position of the Boston Redevelopment Authority as of June 30, 1983 and the results of its operations and changes in fund balances and changes in agency funds for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year except for the change as described in Note B, with which we concur, in the method of accounting for retirement costs.

Boston, Massachusetts
November 10, 1983

Coopers & Lybrand

COMBINED BALANCE SHEET
June 30, 1983

	General Fund	Agency Funds	General Long-term Obligations Group of Accounts	Project Funds	Interfund Eliminations	Combined Total (Memorandum only)
ASSETS						
Cash	\$ 1,767,952	\$1,890,026	-	\$ 551,853	-	\$ 4,209,831
Investments (Notes C and E)	3,423,211	2,468,830	-	5,366,328	-	11,258,369
Accounts receivable (net of allowance for bad debts of \$224,775)	-	86,714	-	-	-	86,714
Billed amounts due from federal, state and city	1,466,820	-	-	2,704,830	-	4,171,650
Unbilled amounts due from federal, state and city	2,739,999	30,560	-	15,551,098	-	18,321,857
Due from other funds	1,674,363	-	-	5,213,809	\$6,888,172	-
Other assets (Note H)	7,755	-	-	1,641,996	-	1,649,751
Amounts to be provided for retirement of general long-term obligations	-	-	\$2,005,555	-	-	2,005,555
Total assets	<u>\$11,080,100</u>	<u>\$4,476,130</u>	<u>\$2,005,555</u>	<u>\$31,029,914</u>	<u>\$6,888,172</u>	<u>\$41,703,527</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	5,207,872	-	-	-	-	5,207,872
Due to other funds	-	1,450,809	-	5,437,363	6,888,172	-
Retainage	239,642	2,975	-	416,990	-	659,607
Deposits (Note E)	2,485,961	12,440	-	961,933	-	3,460,334
Accrued vacation and sick leave and retirement costs (Notes J and K)	-	-	2,005,555	-	-	2,005,555
Accrued liabilities	239,478	-	-	-	-	239,478
Other (Note G)	165,000	-	-	9,356,597	-	9,521,597
Debt (Notes H and I)	1,599,587	-	-	1,638,996	-	3,238,583
Due to designated entities	-	3,009,906	-	-	-	3,009,906
Total liabilities	<u>9,997,540</u>	<u>4,476,130</u>	<u>2,005,555</u>	<u>17,811,879</u>	<u>6,888,172</u>	<u>27,402,932</u>
Commitments and contingencies (Notes F and G)	-	-	-	-	-	-
Fund balances:						
Designated for projects	-	-	-	13,218,035	-	13,218,035
Undesignated	1,082,560	-	-	-	-	1,082,560
Total fund balances	<u>1,082,560</u>	<u>-</u>	<u>-</u>	<u>13,218,035</u>	<u>-</u>	<u>14,300,595</u>
Total liabilities and fund balances	<u>\$11,080,100</u>	<u>\$4,476,130</u>	<u>\$2,005,555</u>	<u>\$31,029,914</u>	<u>\$6,888,172</u>	<u>\$41,703,527</u>

The accompanying notes are an integral part of the financial statements.

COMBINING BALANCE SHEET
ALL PROJECT FUNDS
June 30, 1983

	PROJECT FUNDS				
	Charlestown	South End	Waterfront	South Station	South Cove
ASSETS					
Cash	-	\$ 12,523	\$ 9,660	\$ 15,908	\$ 2,507
Investments (Notes C and E)	\$1,053,043	-	581,981	-	1,048,847
Accounts receivable	-	-	-	-	-
Billed amounts due from federal, state and city	74,110	851,145	73,329	9,887	338,512
Unbilled amounts due from federal, state and city	474,550	3,133,320	2,576,685	148,672	521,960
Due from other funds	-	-	3,150,811	652,378	374,237
Other assets (Note H)	-	-	-	-	-
Total assets	<u>\$1,601,703</u>	<u>\$3,996,988</u>	<u>\$6,392,466</u>	<u>\$826,845</u>	<u>\$2,286,063</u>
					<u>\$724,094</u>
LIABILITIES AND FUND BALANCES					
Accounts payable	-	-	-	-	-
Due to other funds	300,024	2,214,684	-	-	-
Retainage	21,317	46,857	3,426	28,576	4,075
Deposits (Note E)	818	8,728	618,185	-	7,386
Accrued liabilities	-	-	-	-	-
Other (Note G)	422,500	1,304,162	2,063,000	-	331,836
Debt (Note H)	-	-	-	-	-
Due to designated entities	-	-	-	-	325,000
Total liabilities	<u>744,659</u>	<u>3,574,431</u>	<u>2,684,611</u>	<u>28,576</u>	<u>656,836</u>
Commitments and contingencies (Notes F and G)	-	-	-	-	-
Fund balances:					
Designated for projects	857,044	422,557	3,707,855	798,269	1,629,227
Undesignated	-	-	-	-	-
Total fund balances	<u>857,044</u>	<u>422,557</u>	<u>3,707,855</u>	<u>798,269</u>	<u>1,629,227</u>
Total liabilities and fund balances	<u>\$1,601,703</u>	<u>\$3,996,988</u>	<u>\$6,392,466</u>	<u>\$826,845</u>	<u>\$2,286,063</u>
					<u>\$724,094</u>

The accompanying notes are an integral part of the financial statements.

COMBINING BALANCE SHEET, Continued
ALL PROJECT FUNDS
June 30, 1983

PROJECT FUNDS

ASSETS

	Campus High	Bedford West	Charlestown Navy Yard	North Station	Browne	Other Projects	Total
Cash	-	\$ 17,436	\$ 84,751	-	\$307,909	\$ 84,220	\$ 551,853
Investments (Notes C and E)	\$468,750	1,479,386	-	-	44,159	640,919	5,366,328
Accounts receivable	-	-	-	-	-	-	-
Billed amounts due from federal, state and city	76,715	-	229,663	-	-	529,483	2,704,830
Unbilled amounts due from federal, state and city	121,695	187,254	794,994	\$1,817,625	627,969	5,010,448	15,551,098
Due from other funds	233,210	803,173	-	-	-	-	5,213,809
Other assets (Note H)	-	-	1,641,996	-	-	-	1,641,996
Total assets	<u>\$900,370</u>	<u>\$2,487,249</u>	<u>\$2,751,404</u>	<u>\$1,817,625</u>	<u>\$980,037</u>	<u>\$6,265,070</u>	<u>\$31,029,914</u>

LIABILITIES AND FUND BALANCES

Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	-	1,011,106	290,564	263,989	1,352,921	5,437,363
Retainage	9,085	17,509	99,086	86,461	4,747	92,540	416,990
Deposits (Note E)	150	-	2,216	-	-	-	961,933
Accrued liabilities	-	-	-	-	-	-	-
Other (Note G)	132,835	44,200	-	1,440,600	-	3,604,300	9,356,597
Debt (Note H)	-	-	1,638,996	-	-	-	1,638,996
Due to designated entities	-	-	-	-	-	-	-
Total liabilities	<u>142,070</u>	<u>61,709</u>	<u>2,751,404</u>	<u>1,817,625</u>	<u>268,736</u>	<u>5,049,761</u>	<u>17,811,879</u>
Commitments and contingencies (Notes F and G)	-	-	-	-	-	-	-
Fund balances:							
Designated for projects	758,300	2,425,540	-	-	711,301	1,215,309	13,218,035
Undesignated	-	-	-	-	-	-	-
Total fund balances	<u>758,300</u>	<u>2,425,540</u>	<u>-</u>	<u>-</u>	<u>711,301</u>	<u>1,215,309</u>	<u>13,218,035</u>
Total liabilities and fund balances	<u>\$900,370</u>	<u>\$2,487,249</u>	<u>\$2,751,404</u>	<u>\$1,817,625</u>	<u>\$980,037</u>	<u>\$6,265,070</u>	<u>\$31,029,914</u>

The accompanying notes are an integral part of the financial statements.

**COMBINED STATEMENT OF REVENUES,
EXPENDITURES, TRANSFERS, AND CHANGES
IN FUND BALANCES**
for the year ended June 30, 1983

	General Fund	Project Funds	Combined Total (Memoran- dum only)
Revenues:			
Federal, state and city funding grants	\$4,025,876	\$17,923,156	\$21,949,032
Proceeds from disposition of development sites	—	71,400	71,400
Interest income	961,340	670,666	1,632,006
Other	218,534	425,833	644,367
Total revenues	<u>5,205,750</u>	<u>19,091,055</u>	<u>24,296,805</u>
Expenditures:			
Personnel	2,966,839	1,358,305	4,325,144
Fringe	498,406	380,700	879,106
Supplies and services	228,182	103,849	332,031
Contractual services	310,100	3,371,300	3,681,400
Capital outlays	—	14,207,148	14,207,148
Other	111,101	—	111,101
Total expenditures	<u>4,114,628</u>	<u>19,421,302</u>	<u>23,535,930</u>
Excess (deficiency) of revenues over expenditures	1,091,122	(330,247)	760,875
Operating transfers	<u>162,820</u>	<u>(162,820)</u>	<u>—</u>
Excess (deficiency) of revenues over expenditures and operating transfers	1,253,942	(493,067)	760,875
Transfers to Agency	—	(158,889)	(158,889)
Fund equity (deficit), June 30, 1982	(171,382)	13,869,991	13,698,609
Fund equity, June 30, 1983	<u>\$1,082,560</u>	<u>\$13,218,035</u>	<u>\$14,300,595</u>

The accompanying notes are an integral part of the financial statements.

Revenues:

- Federal, state and city funding grants
- Proceeds from disposition of development sites
- Interest income
- Other

Personnel
Fringe
Supplies and services
Contractual services
Capital outlays
Other

Operating transfers
Excess (deficiency) of revenues over expenditures and operating transfers
Transfers to Agency
Fund equity, June 30, 1982
Fund equity, June 30, 1983

PROJECT FUNDS

	Charlestown	South End	Waterfront	South Station	South Cove	Fenway
Revenues:						
Federal, state and city funding grants	\$ 49,389	\$2,428,594	\$ 312,381	\$159,174	\$ 150,808	\$111,158
Proceeds from disposition of development sites	—	—	—	—	—	—
Interest income	105,418	3,146	98,314	689	80,170	4,536
Other	—	—	—	—	—	—
Total revenues	<u>154,807</u>	<u>2,431,740</u>	<u>410,695</u>	<u>159,863</u>	<u>230,978</u>	<u>115,694</u>
Expenditures:						
Personnel	110,529	334,816	186,645	53,332	81,366	67,864
Fringe	30,976	93,838	52,311	14,941	22,807	19,021
Supplies and services	7,544	19,258	10,508	3,974	5,462	3,549
Contractual services	74,129	1,135,878	75,298	45,087	7,151	3,204
Capital outlays	359,300	875,969	—	—	10,001	64,478
Other	—	—	—	—	—	—
Total expenditures	<u>582,478</u>	<u>2,459,759</u>	<u>324,762</u>	<u>117,334</u>	<u>126,787</u>	<u>158,116</u>
Excess (deficiency) of revenues over expenditures	<u>(427,671)</u>	<u>(28,019)</u>	<u>85,933</u>	<u>42,529</u>	<u>104,191</u>	<u>(42,422)</u>
Operating transfers	(9,430)	14,071	12,380	(42,245)	(25,350)	46,296
Excess (deficiency) of revenues over expenditures and operating transfers	<u>(437,101)</u>	<u>(13,948)</u>	<u>98,313</u>	<u>284</u>	<u>78,841</u>	<u>3,874</u>
Transfers to Agency	(73,931)	—	—	—	(84,958)	—
Fund equity, June 30, 1982	1,368,076	436,505	3,609,542	797,985	1,635,344	688,759
Fund equity, June 30, 1983	\$ 857,044	\$ 422,557	\$3,707,855	\$798,269	\$1,629,227	\$692,633

The accompanying notes are an integral part of the financial statements.

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, TRANSFERS, AND CHANGES
IN FUND BALANCES, Continued
ALL PROJECT FUNDS
for the year ended June 30, 1983**

	Campus High	Bedford West	Charlestown Navy Yard	North Station	Browne	Other Projects	Total
Revenues:							
Federal, state and city funding grants	\$ 263,551	\$3,841,461	\$906,614	\$3,916,818	\$443,753	\$5,339,455	\$17,923,156
Proceeds from disposition of development sites	71,400	-	-	-	-	-	71,400
Interest income	39,344	182,157	5,958	4,030	29,656	117,248	670,666
Other	-	-	16,920	-	-	408,913	425,833
Total revenues	<u>374,295</u>	<u>4,023,618</u>	<u>929,492</u>	<u>3,920,848</u>	<u>473,409</u>	<u>5,865,616</u>	<u>19,091,055</u>
Expenditures:							
Personnel	41,968	77,247	-	-	2,535	402,003	1,358,305
Fringe	11,762	21,651	-	-	710	112,683	380,700
Supplies and services	4,377	5,081	341	4,274	3,026	36,455	103,849
Contractual services	71,682	35,425	98,969	999,601	25,828	799,048	3,371,300
Capital outlays	529,643	3,700,000	830,182	3,388,859	117,984	4,330,732	14,207,148
Other	-	-	-	-	-	-	-
Total expenditures	<u>659,432</u>	<u>3,839,404</u>	<u>929,492</u>	<u>4,392,734</u>	<u>150,083</u>	<u>5,680,921</u>	<u>19,421,302</u>
Excess (deficiency) of revenues over expenditures	(285,137)	184,214	-	(471,886)	323,326	184,695	(330,247)
Operating transfers	<u>(24,903)</u>	<u>(2,059)</u>	<u>-</u>	<u>(9,362)</u>	<u>-</u>	<u>(122,218)</u>	<u>(162,820)</u>
Excess (deficiency) of revenues over expenditures and operating transfers	(310,040)	182,155	-	(481,248)	323,326	62,477	(493,067)
Transfers to Agency	-	-	-	-	-	-	(158,889)
Fund equity, June 30, 1982	1,068,340	2,243,385	-	481,248	387,975	1,152,832	13,869,991
Fund equity, June 30, 1983	<u>\$ 758,300</u>	<u>\$2,425,540</u>	<u>-</u>	<u>-</u>	<u>\$711,301</u>	<u>\$1,215,309</u>	<u>\$13,218,035</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS
for the year ended June 30, 1983

	ASSETS			LIABILITIES		
	Balance, June 30, 1982	Additions	Deductions	Balance, June 30, 1983		
Cash	\$1,255,307	\$3,346,940	\$2,712,221	\$1,890,026		
Investments	2,363,252	1,443,476	1,337,898	2,468,830		
Accounts receivable	79,765	1,191,251	1,184,302	86,714		
Unbilled amounts due from federal, state and city	80,390	1,614,450	1,664,280	30,560		
Total assets	<u>\$3,778,714</u>	<u>\$7,596,117</u>	<u>\$6,898,701</u>	<u>\$4,476,130</u>		
Due to other funds	1,144,507	306,302	-	1,450,809		
Retainage	-	14,640	11,665	2,975		
Deposits	346,561	85,180	419,301	12,440		
Other	5,000	-	5,000	-		
Due to designated entities	2,282,646	2,005,771	1,278,511	3,009,906		
Total liabilities	<u>\$3,778,714</u>	<u>\$2,411,893</u>	<u>\$1,714,477</u>	<u>\$4,476,130</u>		

The accompanying notes are an integral part of the financial statements.

A. The Authority

The Boston Redevelopment Authority (the "Authority") was established in 1958 pursuant to Chapter 121B, as amended, of the General Laws of Massachusetts to administer community development projects and to function as the planning agency of the City of Boston (the "City"). The Authority is governed by a five-member Board of Directors appointed for terms of five years.

The Authority is presently engaged in approximately 60 separate community development projects.

B. Summary of Significant Accounting Policies

A summary of significant accounting policies employed in preparation of the combined financial statements follows.

Fund Accounting

Financial activities are recorded in the funds described below, each of which is deemed to be a separate accounting entity. The financial affairs and operations of each fund are accounted for in separate self-balancing accounts which represent the fund's assets, liabilities, equity, revenues and expenditures or expenses.

General Fund

Transactions accounted for in the General Fund relate to revenues and expenditures not specifically restricted to development projects under terms of grant agreements or under restrictive terms of City of Boston capital borrowings. Planning funds received from the City and through grants are accounted for in the General Fund.

Project Funds

Transactions accounted for in Project Funds relate to resources obtained and used for specific identifiable development activities. Project Funds have been combined under major renewal project groupings. Individual projects may receive funding from several sources including federal and state grants, City of Boston capital funds, other contracts, disposition proceeds and rental income. The Authority separately accounts for the revenues and expenditures under each funding source. For financial reporting purposes, 26 projects have been combined and presented under the heading "Other Projects."

Agency Funds

Resources received and held by the Authority as an agent for other entities are accounted for in Agency Funds. The resources include property management revenues and disposition proceeds which, in accordance with various agreements, must be paid to designated entities after deducting applicable expenses. Disposition proceeds are initially accounted for in the Project Funds and are transferred to the Agency Funds when the amount payable to the designated entity is determined. In addition, certain UDAG agreements require the grant recipient to issue notes

to the Authority which, in turn, must remit the payments to the City to be used for neighborhood development. These notes receivable are not presented in the financial statements. The receipts and subsequent disbursements to the City are recorded in Agency Funds. At June 30, 1983, the notes receivable are as follows:

Copley Place—U.D.A.G.	\$6,255,797
North End Community Development—U.D.A.G.	346,647
Teradyne—U.D.A.G.	4,500,000
Westland Ave.—U.D.A.G.	325,000

General Long-Term Obligations Group of Accounts

Unmatured long-term obligations of the Authority are accounted for in the General Long-Term Obligations Group of Accounts.

Basis of Accounting

The accounts of the Authority are maintained and reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available to finance operations during the year. Interest income is recorded as earned. Rents are recorded as revenues as earned. Federal and state reimbursement type grants are recorded as revenue at the earlier of receipt or when the related eligible expenditures are incurred. Revenues from City of Boston capital borrowings are recorded when received. Expenditures are recognized when obligations are incurred from receipt of goods and services.

Property

The Authority is the owner of numerous properties within the City of Boston. The accompanying financial statements do not include a general fixed asset group of accounts. Generally, properties are acquired in connection with specified renewal projects and, accordingly, the costs associated with the acquisition of properties are expensed as incurred. Use of the proceeds from the rental and ultimate disposition of the properties are restricted to allowable project costs, or they must be returned to the funding agency or the City. Expenditures for office equipment are expensed as incurred.

Vacation and Sick Pay

Employees earn vacations and sick leave as they provide services. They may accumulate (subject to certain limitations) unused vacation and sick leave earned and, upon retirement, termination or death, may be compensated for accumulated unused vacation equal to twice their current allowable vacation. Sick leave accumulates at the rate of 1 1/4 days for each calendar month with no maximum limit. Upon termination, employees with fifteen or more years of service may receive in cash a portion of their accrued but unused sick leave in accordance with an established formula. In accordance with NCGA Statement 4, accumulated benefits which will not be liquidated with expendable

available financial resources are recorded in the General Long-Term Obligations Group of Accounts.

Retirement Costs

Substantially all employees participate in the contributory State-Boston Retirement System. In accordance with the Laws of The Commonwealth of Massachusetts, retirement costs are funded on a "pay-as-you-go" basis (estimated retirement benefits to be paid in excess of employees' contributions and earnings thereon). The Authority is annually assessed its proportionate share of the retirement costs of the State-Boston Retirement System by the City of Boston. In fiscal 1983, the Authority adopted a method of accounting for retirement costs whereby the provision for such costs included in these financial methods is based upon an actuarial determination that includes amortization of unfunded benefits. Previously the provision for retirement costs was based on the annual assessment on the "pay-as-you-go" basis.

Unbilled Accounts Receivable

Unbilled accounts receivable arise from certain Authority activities. Such unbilled receivables are recorded for expenses incurred which are reimbursable under grants and not yet billed. Retainage withheld from payments on construction and engineering contracts are not reimbursable by grant funding sources until paid and, therefore, these amounts are recorded as unbilled receivables. Liabilities for land taking are recorded when they become estimable and, if reimbursable under grants, unbilled receivables are recorded. Unbilled accounts receivable may not be billed and collected within one year.

C. Investments

The Authority holds in investments: funds received in connection with close-out agreements with the U.S. Housing and Urban Development Department, deposits placed with the Authority by developers (see Note E), and funds required to be held in investments under contractual agreements. Investments as of June 30, 1983 consist of:

	CARRYING AMOUNT (in thousands)	INTEREST RATES	MATURITIES
General Fund:			
U.S. Treasury Bills	\$ 3,139	8.04% to 9.09%	7/83 through 9/83
Certificates of Deposit	284	8.00%	3/9/87
Project Funds:			
U.S. Treasury Bills	5,366	8.03% to 8.98%	7/83 through 9/83
Agency Funds:			
GNMA (Construction Loan Certificates)	1,775	12.75%	5/15/2002
U.S. Treasury Bills	694	8.66%	7/83
	<u>\$11,258</u>		

D. Related Party Transactions

City of Boston

During the year ended June 30, 1983, the City provided resources of approximately \$17.9 million to the Authority for its operations and planning activities and for various projects, as follows:

	1983 (in thousands)
Urban Development Action Grants (UDAG)	\$ 4,109,699
City capital appropriations	4,728,703
City planning appropriations	3,902,510
Community Development Block Grants (CDBG)	5,195,262
	<u>\$17,936,174</u>

CDBG and UDAG grants are funded by City under federal programs. The City of Boston also provides office facilities to the Authority at no charge.

E. Deposits

Investments held in the General Fund at June 30, 1983 relate to development deposits placed with the Authority in connection with specific capital projects or development properties. Such deposits are generally subject to escrow agreements and, accordingly, have been credited to the deposit account on the balance sheet.

F. Commitments

At June 30, 1983, the Authority was committed under construction contracts for various funded projects in the aggregate amount of \$7,229,003.

G. Contingencies

The BRA is involved in numerous lawsuits arising in the ordinary course of operations, including actions commenced and claims asserted against it for property damage and personal injury, breaches of contract, condemnation proceedings and other alleged violations of law. In addition, the BRA receives significant financial assistance from various federal, state, and city agencies in the form of grants and entitlements. Expenditure of funds under these programs generally requires compliance with terms and conditions specified in the related agreements and regulations and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. The Authority believes no material liability will result from these audits.

Based on information supplied by the Authority's Counsel, the accompanying financial statements include estimates of probable future liabilities relating to the aforementioned lawsuits and if such liabilities are reimbursable under terms of grant agreements unbilled accounts receivable have also been recorded.

H. Other Assets

In connection with the Charlestown Navy Yard redevelopment project, the Authority was advanced \$1,740,000 by the developer to fund the acquisition of certain property in return for a note secured by a lien on the acquired property. The note will be repaid by the transfer of the property to the developer as the developer completes certain specified property improvements. At June 30, 1983, the net amount remaining was \$1,638,996.

I. Line of Credit

On March 23, 1983, the line of credit with the Bank of New England, N.A. was restructured into a demand note in the amount of \$1,599,587. Borrowings accrue interest at 62% of the bank's prime rate, 10.5% at June 30, 1983. The borrowings were used to finance specific water and sewer projects in connection with the Charlestown and South End redevelopment projects. The E.P.A. funds these projects on a strict reimbursement basis.

J. Changes in General Long-Term Obligations Group of Accounts

Net changes in the General Long-Term Obligations Group of Accounts for the year ended June 30, 1983 are as follows:

Increase in accrued vacation and sick leave	\$316,327
Provision for accrued retirement costs in excess of amount to be funded currently	<u>246,402</u>
	<u>\$562,729</u>

K. Retirement Costs

The provision for costs associated with the Authority's participation in the State-Boston Retirement System for the year ended June 30, 1983 amounted to \$1,395,000, which includes amortization over forty years of the Authority's unfunded actuarial accrued liability. The Authority makes annual contributions based upon a "pay-as-you-go" assessment. Following is a comparison of accumulated plan benefits and plan net assets as of June 30, 1983:

Actuarial present value of accumulated plan benefits:	
Vested	\$ 9,662,700
Non-vested	<u>700,900</u>
	<u>\$10,363,600</u>
Net assets available for plan benefits	<u>\$ 3,517,400</u>

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 8%.

In order to carry out its mandated functions, the BRA maintains a working relationship with organizations and institutions and investors as diverse as the city itself. These alliances, often involving private-public partnerships, represent the cooperative spirit that is essential for any city to grow and yet maintain its distinctive character.

These are groups which cover every geographic area of the city. These are groups which represent certain industries or other areas of activity, particularly other government agencies. These groups, when taken as a whole, are representative of the people who do business in Boston and the people who live in Boston. All have in common a concern and interest in the future of the city. And to them, the BRA extends thanks for their invaluable assistance in helping to make Boston a better city.

American Planning Association
 Back Bay Association
 Back Bay Federation for Community Development
 Bay Village Neighborhood Association
 Boston Landmarks Commission
 Boston Society of Architects
 Boston 2000 Steering Committee, Greater Boston Chamber of Commerce
 Boston University
 Boston Water and Sewer Commission
 Boston Waterfront Neighborhood Association
 Brigham and Women's Hospital
 Charlestown Navy Yard Advisory Committee*
 Chinese Consolidated Benevolent Association of New England*
 Chinese Economic Development Council, Inc.
 Columbia Point Community Task Force, Inc.
 Commonwealth of Massachusetts, Dept. of Public Works
 Commonwealth of Massachusetts, Executive Office of Environmental Affairs
 Commonwealth of Massachusetts, Executive Office of Communities and Development
 Commonwealth of Massachusetts, Executive Office of Transportation & Construction
 Copley Place Design Advisory Group*
 Copley Square Centennial Committee
 Development Guidelines Project Advisory Committee, Greater Boston Chamber of Commerce
 Downtown Crossing Association
 East Boston Project Advisory Committee

Ellis Neighborhood Association
 Fenway Civic Association
 Fen Pac
 Fenway Community Development Corporation
 Fort Point Channel Forum*
 Garrison Trotter Neighborhood Organization
 Greater Boston Convention and Tourist Bureau
 Greater Boston Chamber of Commerce, Center City Task Force, Boston 2000
 Greater Boston Real Estate Board
 Greater Boston Hotel and Motor Inn Association
 Harvard Medical Center
 Hynes Auditorium User Advisory Commission
 Kenmore Square Businessmen Association
 Massachusetts Avenue Board of Trade
 Massachusetts Bay Transportation Authority
 Massachusetts Convention Center Authority
 Massachusetts General Hospital
 Massachusetts Housing Finance Agency
 Massachusetts Industrial Finance Agency
 Massachusetts Land Bank
 Massachusetts Port Authority
 Massachusetts Turnpike Authority
 Metropolitan Area Planning Council
 National Endowment for the Arts
 National Park Service
 Neighborhood Association of the Back Bay
 New England Medical Center
 Northeastern University

North Station Project Advisory Committee*
 Park Plaza Civic Advisory Committee*
 St. James Garage Civic Advisory Committee*
 Symphony Area Renaissance, Inc.
 Symphony United Neighborhoods
 The Boston Harbor Associates
 The Boston Theater District Association
 Tufts University
 University of Massachusetts, Boston – Boston Urban Observatory
 U.S. Census Bureau (Regional Office)
 U.S. Department of Housing and Urban Development
 Worcester Square Area Neighborhood Association

* Established by BRA

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